

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4818

VIA AIR COURIER

May 2, 1997

RECORDATION NO. 20674 FILED

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

MAY 5 '97 2-14 PM

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Locomotive Lease Agreement ("Memorandum") dated as of February 20, 1997 between the following parties:

Lessor: Helm Financial Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

Lessee: Alaska Railroad Corporation
P.O. Box 107500
Anchorage, AK 99510-7500

The equipment involved in this transaction is as follows:

Equipment: Two (2), four axle, 3000 horsepower diesel electric GP40-3 locomotives built by EMD in 1967.

Please file this Memorandum as a primary document. A check covering the filing fee of twenty-four dollars (\$24.00) is enclosed.

Sincerely,

P Hapin

Patrick Hapin
Document Administrator

/ph
Enclosures (2)

MEMORANDUM OF
LOCOMOTIVE LEASE AGREEMENT

MAY 5 '97 2-14 PM

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT (the "Memorandum") is made as of February 20, 1997 and is intended to evidence that certain Locomotive Lease Agreement dated as of February 20, 1997 (the "Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and ALASKA RAILROAD CORPORATION, an Alaska corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11301. Lessor has the right to lease the locomotives, more fully described in Schedule A hereto (the "Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Lease.

The Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

HELM FINANCIAL CORPORATION

By: 

Print Name: Richard C. Kirchner

Its: President

LESSEE

ALASKA RAILROAD CORPORATION

By: Print Name: JOHN KINCAIDIts: CHIEF MECHANICAL OFFICER

cm

SCHEDULE A

TO THE MEMORANDUM OF LEASE

THE UNITS

Equipment Description:

Two (2), four axle, 3000 horsepower diesel electric GP40-3 locomotives built by EMD in 1967.

Unit Numbers:

HLCX 4400

HLCX 4401

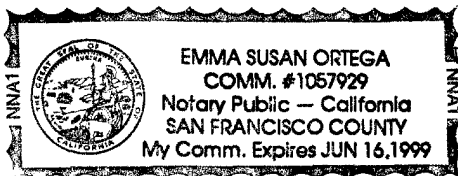
CW

STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

On April 23, 1997, before me, Emma S. Ortega - Notary Public, personally appeared Richard C. Kirchner, President of HELM FINANCIAL CORPORATION,

☒ personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Witness my hand and official seal.

[Notarial Seal]

Emma Susan Ortega
SIGNATURE OF THE NOTARY

STATE OF Alaska)
) S.S.
COUNTY OF Anchorage)

On April 21, 1997, 1997, before me, Cheryl A. Santel, personally appeared John Kincaid, Chief Mechanical Officer of ALASKA RAILROAD CORPORATION,

☒ personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

[Notarial Seal]

Cheryl A. Santel
SIGNATURE OF THE NOTARY

am